

DRAFT MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION ENHANCEMENT FUNDS WORKING GROUP

Friday, December 10, 2004 – 9:00 a.m.
MAG Office Building, Suite 200 - Cholla Room
302 North First Avenue, Phoenix

MEMBERS PRESENT

Councilman Greg Stanton, Co-Chair, Phoenix
Mike Hutchinson, Co-Chair, Mesa,
representing the MAG Management
Committee

*Grant Anderson, Goodyear, representing the
MAG Street Committee

*Angela Dye, A Dye Design, representing the
American Society of Landscape
Architects, Arizona Chapter

*Marcie Ellis, West Valley Fine Arts Council,
representing the Arts Community

Reed Kempton, Scottsdale, representing the
MAG Pedestrian Working Group

*Andre Licardi, Arizona Commission of the
Arts

Mary O'Connor, Scottsdale, representing the
MAG Regional Bicycle Task Force

Doug Kupel, Arizona Preservation Foundation,
representing the Archaeological and
Historic Preservation Community

* Not Present

OTHERS PRESENT

Lynn Timmons, Phoenix
Ken Hall, MAG

Phil Jeselnik, ADOT

1. Call to Order

Co-Chair Greg Stanton called the meeting to order at 9:38 a.m.

2. Approval of the June 29, 2004 Meeting Minutes of the Enhancement Funds Working Group

Co-Chair Stanton informed those in attendance that they did not have a quorum, and that the Committee would postpone action on this item until the next scheduled meeting, which would be announced sometime during February or March of 2005. Co-Chair Stanton stated that the Committee would go on to address the subsequent Agenda items, and to hear each item as listed.

3. Call to the Audience

Co-Chair Stanton stated that he had not received any request to speak cards from the audience, and moved on to the next item of the Agenda.

4. Staff Report

Co-Chair Stanton introduced Mr. Ken Hall, MAG Transportation Planner, to provide an update on current items of interest. Mr. Hall stated that this was his first meeting as Staff to the MAG Enhancement Funds Working Group. He provided those in attendance with a brief overview of his background, and said that he was looking forward to working with the Working Group in the future. Mr. Hall informed those in attendance that he represented MAG at the recent annual meeting of the Transportation Enhancement Review Committee (TERC), which was held from October 6 to 8, 2004, in the City of Flagstaff. Mr. Hall informed those in attendance that Round XII award letters for the cities of Phoenix, Glendale and Tempe were recently sent out by the Arizona Department of Transportation (ADOT), and that ADOT would be conducting a workshop on Monday, January 10, 2005, to discuss the Federal-aid process and requirements associated with receiving transportation enhancement funds. He also informed the Working Group that at the October 2004 annual TERC meeting, the Committee agreed to hold their next meeting at the ADOT offices on January 11, 2005. The TERC decided the January 2005 meeting would be held as an executive session, and would not allow for public input of any kind.

Co-Chair Stanton addressed the Working Group, and stated that he expressed his concerns to members of the TERC at their annual meeting in October of 2004. Co-Chair Stanton is concerned about the TERC holding a meeting which addresses major programmatic policy changes, and prohibiting public comment and input. Discussion followed, and Ms. Lynn Timmons stated that it was appropriate to write a letter to the Chairperson of the TERC, expressing our region's concerns over some of the policy discussion topics. Mr. Doug Kupel suggested that the letter be addressed to the Chair, and copied to every member of the TERC, prior to the January 11, 2005, meeting. Co-Chair Stanton concurred with Mr. Kupel, and stated that the letter should be justified on the basis that it represents our region's only opportunity to collectively address the TERC. Those in attendance agreed with Co-Chair Stanton, and discussed several items pertaining to TERC membership and the regional rankings. There were no further questions, and this concluded Mr. Hall's report.

5. Round XII Results and Recommendations of the Transportation Enhancement Review Committee

Co-Chair Stanton introduced Mr. Ken Hall, MAG Transportation Planner, to provide an update of the Round XII results and recommendations of the Transportation Enhancement Review Committee (TERC). Mr. Hall called the Working Group's attention to the report included in Attachment One of the Agenda packet, which was entitled *Transportation*

Enhancement Funds, Round XII Funding Recommendations and Project Results. He said that the first section of the report provided an overview of the Round XII results, which included information on ranking and recommendations; information on funded projects in the region and throughout the State of Arizona; a specific overview of the rankings; and a descriptive, statewide narrative table that summarized each of the project submittals from Round XII. He stated that sections two through four focused on Local, State and overall funding patterns that have occurred since the program's inception in 1993. Discussion followed, and Mr. Hall stated that the results in the report were based on the final recommendations of the TERC, which were announced on October 8, 2004. Mr. Hall then called the Working Group's attention to the screen at the front of the room and stated that during Round XII, there were a total of 49 Local project submittals, which totaled \$20,592,531 in overall requests. Of this amount, \$5.8 million, or 28 percent of the total amount was approved. He then informed those in attendance that there were a total of 26 State project submittals, which totaled \$16,460,233 in overall requests. Of this amount, \$3.2 Million, or 20 percent of the total amount was approved. Mr. Hall stated that the process was extremely competitive, and only about \$9 million was awarded to 75 applicants throughout Arizona.

Mr. Hall said that he anticipated more funding to be available prior to the meeting, but later found out that the State initiated a *Projects of Opportunity* Program, which is a special set aside fund that takes away from the availability of additional funding from the State and Local Transportation Enhancement project categories. Discussion followed and Mr. Phil Jeselnik from ADOT addressed the Projects of Opportunity Program. Mr. Jeselnik informed those in attendance that the Projects of Opportunity Program was intended to provide funding of Transportation Enhancement-eligible items for roadway projects at the ADOT District level, which have already been programmed for construction at the time the funding is requested. He stated that the program was intended to provide emergency funding for the construction of eligible items that were beyond a project's initial scope. Typically, these items were not identified as being needed during the project's initial inception and design phase. He noted that eligibility for Projects of Opportunity is the same as for a customary Transportation Enhancement project, and that the projects must qualify from one of the 12 categories related to surface transportation. Mr. Jeselnik said that historically, these projects have included sidewalk additions or landscaping for roadway projects that were under construction.

Mr. Jeselnik stated that the amount of funding that is set aside for the Projects of Opportunity Program was \$1.0 million per year through FY 2007, and is proposed to be raised to \$1.5 million for FY 2008 and FY 2009, and will ultimately be raised to an amount of \$2.0 million in FY 2010. Mr. Jeselnik said that the Program is funded directly from a set-aside allotment taken from the existing State and Local Transportation Enhancement project categories. He noted that a total of 50 percent of the Projects of Opportunity funds will be taken from the State set aside amount for transportation enhancements, and the remaining 50 percent will come from the Local set aside amount for transportation enhancements. Discussion followed, and there was concern that this set-aside for the Projects of Opportunity Program

was taking away the already “limited amount” of funding that is available for the State and Local Transportation Enhancement project categories.

Mr. Hall then provided an overview of State and Local Round XII projects by agency. He informed those in attendance that the awarded MAG projects for Round XII included the Phoenix Arcadia Portal Multi-Use Trail Enhancement project (\$500,000); the Phoenix Historic Street Light Rehabilitation project (\$328,133); the Tempe Bike Station at the Downtown Transit Center project (\$500,000); and the Glendale Old Roma Alley Pedestrian Enhancements and Landscape Beautification project (\$500,000). He noted that while the MAG Region did very well in the Local project category and received most of Arizona’s funding at approximately \$1.8 million, MAG was not able to obtain funding from the State project category for our region’s three project submittals.

Discussion followed regarding State and Local Transportation Enhancement funding allocations by agency, and Mr. Hall then addressed each of the Local and State project submittals from the MAG Region. He focused on a number of projects that received specific comments by voting members at the October 2004 TERC meeting, which he felt may have been disqualifying factors when considering the projects for funding. He addressed the Town of Cave Creek’s Town Core Pedestrian Pathway project, and informed those in attendance that the TERC felt the project was unsafe due to the close proximity of the path to the roadway. He also said that several members of the TERC felt that there were too many drinking fountains included in the application, and that additional design work was needed in order to ensure pedestrian safety. It was noted by several members that the project had already been submitted to the TERC for funding on several occasions. Discussion followed regarding the Town of Cave Creek, and what the community’s options were for this particular project in the future.

Mr. Hall then addressed the City of Peoria’s 84th Avenue Streetscape Improvement Project, and said that the TERC questioned the areas’s historical integrity. Several members of the TERC said that the area would not generate a sufficient number of pedestrians to actually justify the construction of the project. Mr. Hall then addressed the City of Mesa’s South Canal Multi-Use Path along the Consolidated Canal, and stated that the TERC collectively disregarded the application because it far exceeded the 20-page limit. Discussion followed, and Mr. Hall informed the Working Group that prior to the October 2004 TERC Meeting, ADOT moved the City of Chandler’s bike lanes project from the State funding category over to the Local funding category. He informed the Working Group that this was decided because a minimum of 75 percent of the project was not situated within the ADOT state right-of-way, which is a required element in order to be considered for State project funding. Mr. Phil Jeselnik commented on the Chandler Bike Lanes project, and stated that it was a prime example of a project which should have initially been considered when they were constructing the Loop 101.

Mr. Hall noted that the TERC ranked the Chandler Bike Lanes project very low, and also disregarded the City of Chandler’s Bus Stops project, which called for the planting of shade trees and the addition of other improvements to city bus stops. The TERC collectively felt

that this was a Transit project, and that submitting it for Transportation Enhancement funding was not appropriate. Mr. Hall then called the Working Group's attention to the Maricopa County Trail project, and stated that the TERC felt it was an ineligible project for enhancement funds, because it was not situated on a transportation corridor.

Mr. Hall then provided a brief overview of Transportation Enhancement funding since the program's inception in Arizona during 1993, to the most recent round occurring in 2004. He provided a visual overview of Local, State, and collective funding results, and said that to date, MAG had received a total of \$22.2 million in project funding, whereas the Northern Arizona Council of Governments (NACOG) received \$21.9 million, and the Pima Association of Governments (PAG) received \$21.2 million. He noted that while MAG leads the state in the total amount of funding received to date, the region was still not receiving its fair share in accordance with the state's population distribution. There was no further discussion, and this concluded Mr. Hall's presentation to the Working Group.

6. Issues to Discuss at the January 11, 2005, Transportation Enhancement Review Committee Meeting

Addressing the next order of business, Co-Chair Stanton introduced Mr. Ken Hall, MAG Transportation Planner, to provide information on a variety of issues that are scheduled to be addressed at the next meeting of the State Transportation Enhancement Review Committee (TERC). Mr. Hall stated that the TERC announced they would be holding their annual meeting on January 11, 2005, at the ADOT Board Room in Phoenix, and would be deciding a number of issues prior to Round XIII of the state's Transportation Enhancement Program. He said that several of these items could potentially lead to programmatic changes. Discussion followed, and Co-Chair Stanton informed the Working Group that because the meeting was not open to the public, it was important for the group to agree on an overall consensus for each of the discussion items. Co-Chair Stanton said that he wanted to see a formulated response of concerns from the Working Group, which could be conveyed to each member of the TERC at the January 2005 meeting.

Mr. Hall informed the Working Group that one of the primary issues at the upcoming TERC meeting involved possible revisions to the Transportation Enhancement Program's 12 eligible activities. He provided a brief overview of the eligible program activities, and said that this item was being addressed by the TERC as the result of concerns that were initiated by recent scenic easement and scenic acquisition projects. He said that during Round XI (2003) a project was approved for the Northern Arizona Council of Governments (NACOG), which involved a scenic easement. This project was perceived as benefitting a private source, and since Round XI, a scenic acquisition proposal was approved in Round XII for a project located in Pima County, which is under the jurisdiction of the Pima Association of Governments (PAG). Because of such controversial projects, Mr. Hall stated that the TERC was possibly addressing the concept of implementing a weighted system of priorities, where they would give higher weighted scores to traditional enhancement projects such as the

provision of facilities for pedestrians and bicycles, and other project categories that were utilized on a regular basis.

Mr. Doug Kupel addressed the Working Group, and said that he would like to see the TERC scoring process weighted toward projects in the Historic Preservation category. Discussion followed, and Co-Chair Stanton addressed public art, and asked those in attendance what role art should have in the application process. Mr. Reed Kempton asked whether it would be possible to research past rounds, to identify how many projects were funded in each of the eligible activity categories. After further discussion, Co-Chair Stanton said that the current activities seemed fair, and that he didn't necessarily have any issues with the TERC placing less of an emphasis on scenic easement and acquisition projects in the future. However, he would like to have the TERC address what role public art had in the overall process, and agreed with Mr. Kupel in wanting to see historic preservation projects given more consideration.

Mr. Hall then addressed the TERC's suggestion of placing dollar limits on Local and State Transportation Enhancement projects, as addressed at the October 2004 meeting. He said that the TERC wanted to consider the concept of raising the current \$500,000 limit on Local projects to a higher amount, which would allow for more project flexibility. Also, the TERC addressed the concept of lowering the \$1,500,000 maximum on State projects to a lower amount, in an effort to allow for the funding of additional projects. Discussion followed, and Ms. Mary O'Connor agreed that this was a good idea, and those in attendance were also in favor of this proposal.

The next item of discussion focused on the current application criteria utilized by members of the TERC to rank projects throughout Arizona. Mr. Hall informed those in attendance that the entire scoring mechanism was centered on 117 maximum points for each project. He said that the scoring component was divided into two major categories: *General Merit Factors*, involving criteria centered on regional and community enhancement factors, project cost effectiveness, project need (and whether the project was a one time opportunity), and whether the project met more than one program activity, which was worth a total of 77 points; and an *Activity Specific Division*, worth a total of 40 points, which determined whether the project addresses a proposed problem and solution. Mr. Hall said that he felt the scoring system was somewhat arbitrary.

Co-Chair Stanton addressed the Working Group, and agreed that the score sheets have not been very useful. He said that when the project rankings were submitted to the TERC Chair for final consideration, members were not required to display scores - only their ranked priorities of all projects throughout the state. Co-Chair Stanton questioned the legitimacy of the scoring process and felt that project scoring was not taken very seriously. Mr. Phil Jeselnik addressed the Working Group, and said that if appropriately considered, the scoring sheet developed by ADOT is a very useful tool in considering the project rankings.

Mr. Hall then addressed the discussion topics of application ranking at the Regional level, and limiting the number of applications which are allowed by each Metropolitan Planning

Organization (MPO) or Council of Government (COG). Mr. Hall said that these items were both discussed at the State TERC meeting in October of 2004. The TERC suggested that each region limit the total number of applications that are submitted for consideration, and to possibly utilize a more selective ranking process. Also, the TERC agreed that it should not allow Regional submittals to exceed the total amounts available in the State and Local Transportation Enhancement funding categories. Mr. Hall said that these issues were presented by the TERC at the October 2004 meeting, primarily due to the overall number of applications that were submitted. He said that during Round XII, a total of 75 applications were submitted, and the TERC suggested limiting the number of applications in an effort to make it a more streamlined process in the future.

Discussion followed, and it was suggested that a possible solution to this issue was to only submit the top seven projects from the MAG Region. The number of other agency project submittals throughout Arizona should be determined by total population. For example, if MAG submitted seven projects for funding consideration, then other agencies may only be allowed to submit a fixed number of applications based on their population total in comparison with other regions. It was suggested that this idea, or concept be “placed on the table” as a starting point for discussion. Ms. Lynn Timmons suggested that MAG should propose project calculations to see how many applications that agencies throughout the state would be able to submit to the TERC, based on their overall population.

Co-Chair Stanton agreed that the limitation of projects would be favorable. Discussion followed, and Ms. Mary O’Connor and Ms. Timmons both agreed with Co-Chair Stanton that the limitation of projects was a good idea, but want proportionality to be considered in the distribution of award money. Ms. Timmons said that in the past, the process of not allowing the region to exceed the total amount available in the annual Local and State set-asides has always been adhered to by MAG. Discussion followed, and it was suggested that MAG address the TERC, and propose a limitation of applications based on population distribution.

Mr. Hall then addressed the issue of application length, and stated that this item was addressed by the TERC at the October 2004 meeting. Mr. Hall noted how the TERC disregarded the City of Mesa’s application because it exceeded the 20-page limitation, and asked the Working Group whether they felt the 20-page requirement was acceptable. Discussion followed, and the Working Group collectively felt that there had to be several adjustments to this process. It was agreed that there needed to be some changes to the application itself in order to reduce the redundancy associated with the questions. Ms. Timmons stated that there should be at least three to five pages associated with supporting documentation, such as letters and other necessary items of support. Mr. Doug Kupel stated that while the application should have limitations, the 20-page requirement presently required by the TERC shouldn’t have a negative impact on applicants with a higher level of community support, but should allow for flexibility if the application runs over by a few pages. This concept was agreed upon by those members in attendance.

Mr. Hall addressed the next discussion item to be addressed by the TERC at the January 11, 2005 meeting, which involved cost estimate revisions. Mr. Hall informed those in attendance that program representatives from ADOT felt that the applicants needed to do a better job on cost estimates. He said that it was his understanding that ADOT staff was having problems with some of the budget information that applicants were submitting, and said that a better job needed to be done up-front with this process. There were no comments on this item from the Working Group.

Mr. Hall then addressed the issue of using PowerPoint presentations at future TERC Meetings. Mr. Hall said that he had several conversations with Ms. Timmons and members of ADOT's Transportation Enhancement Program Staff in the past, regarding the use of PowerPoint presentations. He stated that this would make it an easier process, and would allow MAG staff with the opportunity to actually display proposed project photos and vital information in a few slides. Discussion followed, and Ms. Timmons suggested that we propose that the TERC allow PowerPoint presentations at future meetings, and have them consider setting a standard template on the number of slides per project that every applicant would be allowed to display.

The next item of discussion focused on the topic of allowing public input at future TERC meetings. Mr. Hall acknowledged that this was a serious issue, and informed the Working Group that the discussion of allowing public input was addressed by the TERC at their meeting in October of 2004. He said several members of the TERC felt that public input should take place at the local level, while others felt there should be a limited process allowing for public comment at the meeting. He noted that the January 11, 2004, meeting disallowed public comment, and asked for the Working Group's input on this item.

Co-Chair Stanton stated that this involved a process which is spending public money, therefore, the public should be allowed an opportunity to speak. Ms. Timmons stated that people in attendance at these meetings should have input, and that providing people with this opportunity is good public policy. She also said that it would be appropriate to have technical staff on hand from applicant communities at future TERC meetings, in order to address specific questions, or provide project clarification. Discussion followed, and those in attendance agreed that the public should have some kind of input at future TERC meetings, and stated that it was necessary to have this conveyed to the TERC at the January 2005 Meeting.

Mr. Hall briefly addressed the next items scheduled for discussion by the TERC at their January 2005 meeting, which involved Visitor Center criteria, statewide project submittals and presentations, and tree costs. Mr. Hall said that within Category 4 of the State Transportation Enhancement Handbook, Visitor Centers were allowed under Scenic or Historic Highway Programs. However, the handbook states that a Visitor Center has to be within 2 miles of a state-designated Parkway, or a scenic or Historic Road. He said that some Visitor Centers are located along major highways that are not necessarily "scenic." Therefore, the TERC would like to see the removal of criteria requiring Visitor Centers to be located along a scenic road. Mr. Hall then addressed the issue of allowing presentations

for Statewide project submittals at future TERC Meetings, and stated that at the last meeting, an applicant of a Statewide project was allowed the opportunity to provide a presentation on their project. He informed the Working Group that several members who were present at the October 2004 TERC Meeting did not like the concept of allowing Statewide applicants to present such projects, and felt that the state was trying to take “already limited” resources away from the Local and State Transportation Enhancement allocations, which were intended for counties, cities and towns throughout Arizona. Mr. Hall then addressed tree costs, and stated that at the last meeting of the TERC in October of 2004, a member from a rural Council of Governments felt that the MAG Region’s applications for transportation enhancement funds contained higher than average tree expenses. Mr. Hall informed the Working Group that this item should not be of concern, because he informed the TERC at the October 2004 meeting that some of these expenses were the result of local ordinance requirements. There was no discussion on these items.

Addressing the last discussion item, Mr. Hall said that the TERC wanted to discuss membership issues at the upcoming meeting, and also wanted to discuss who votes; their voting policy; and whether to allow alternate, or proxy votes. Mr. Hall provided the Working Group with an overview of the present TERC Membership, and provided information on annual voters on the TERC, and alternating voters. He stated that the current membership consists of the following representatives: the ADOT Enhancement Section Manager; an Arizona Transportation Board Member; MAG; PAG; the State Bicycle and Pedestrian Coordinator; Arizona State Parks; the Arizona State Historical Advisory Commission; the Arizona Department of Tourism; and a representative from the Arizona Commission on the Arts. He stated that the alternate voters consist of the Western Arizona Council of Governments (WACOG); the Southeast Arizona Governments Organization (SEAGO); the Northern Arizona Council of Governments (NACOG); the Central Arizona Association of Governments (CAAG); the Flagstaff Metropolitan Planning Organization (FMPO); and the Yuma Metropolitan Planning Organization (YMPO). In the past, there were a total of three alternate agencies who voted, and the other three did not. These voting agencies alternated between years. However, the newly formed Central Yavapai Metropolitan Planning Organization (CYMPO) adds a seventh agency to the list of alternating voters. At the October 2004 TERC meeting in Flagstaff, WACOG, SEAGO, NACOG, and the CYMPO voted on projects, whereas CAAG, FMPO, and the YMPO did not vote. Mr. Hall stated that the TERC will address the number of alternate voters that will be allowed to vote next year. He also stated that the TERC will also address whether it is acceptable to have an alternate, or proxy to attend the meeting.

Discussion followed, and Ms. Timmons said that the State Historic Preservation Office (SHPO) should be urged to participate and vote, and that their input into the process was very important. Those in attendance also discussed the concept of Term limits for the TERC, and questioned whether this should be an issue in the future. Those in attendance then addressed possible membership changes among the Working Group for 2005. There was no further discussion, and this concluded Mr. Hall’s presentation.

7. Next Meeting Date

Co-Chair Stanton informed those in attendance that the next meeting of the Working Group would be determined over the next several months. There being no further business, Co-Chair Stanton adjourned the meeting at 11:20 p.m.